

Recipient [i] promptly notifies the Company prior to any such disclosure, [ii] cooperates with the Company in any attempts it may make to obtain a protective order or other appropriate assurance that confidential treatment will be afforded the Confidential Information and [iii] strictly limit any such disclosure to that which is expressly required by the terms of the legal action or regulatory or self regulatory organization compelling such disclosure.

[f] The obligations of this Section 15.3 shall survive the termination of this Agreement and any Dissolution and Liquidation of the Company.

ARTICLE 16. GENERAL PROVISIONS

16.1 Amendment. Except as otherwise provided in this Agreement, this Agreement may be amended in a writing signed by Members who own more than 50% of the outstanding Units; provided, however, that [a] no amendment that would require any Member to make an additional Capital Contribution to the Company or impose personal liability on a Member for any debt, obligation or liability of the Company shall be effective unless set forth in a writing signed by such Member; [b] no amendment that would change adversely the rights and/or obligations of the holders of a Profits Interest Unit in a manner that is different than its effect on the rights or obligations of the holders of Common Units shall be effective unless approved by the holders of two-thirds of the outstanding Profits Interest Units; [c] except for an amendment required in connection with the admission of an additional Member in accordance with the terms of this Agreement, modify or alter the method of determining, the order of priority or the interest of a Member in [i] allocations of Profits or Losses, [ii] allocations or Distributions of Available Cash, or [iii] allocation or Distribution of proceeds resulting from the Liquidation of the Company, unless such amendment receives the affirmative vote or written consent of each Member adversely affected thereby; or [d] amend the provisions of Sections 7.1 or 7.2 unless approved by the holders of 90% of the Common Units. Any duly adopted amendment to this Agreement is binding on, and inures to the benefit of, each Person who holds a Unit at the time of such amendment, without the requirement that such Person sign the amendment or any republication or restatement of this Agreement.

16.2 Representations. Each Member hereby represents and warrants to each other Member that, as of the signing of this Agreement:

- [a] Such Member is duly organized, validly existing and in good standing under the laws of the jurisdiction where it purports to be organized, and is a United States Person;
- [b] Such Member has full power and authority as a corporation or limited liability company to enter into and perform its obligations under this Agreement;
- [c] All actions on the part of such Member necessary to authorize the signing and delivery of this Agreement, and the performance by such Member of its obligations hereunder, have been duly taken;
- [d] This Agreement has been duly signed and delivered by a duly authorized officer or other representative of such Member and constitutes the legal, valid and binding obligation of such Member enforceable in accordance with its terms, except as such enforceability may be

affected by applicable bankruptcy, insolvency or other similar laws affecting creditors' rights generally, and except that the availability of equitable remedies is subject to judicial discretion;

[e] No consent or approval of any other Person is required in connection with the signing, delivery and performance of this Agreement and the Reorganization Agreement by such Member; and

[f] The signing, delivery and performance of this Agreement and the Reorganization Agreement do not violate the organizational documents of such Member or any material agreement to which such Member is a party or by which such Member is bound.

16.3 Unregistered Interests. Each Member [a] acknowledges that the Units are being offered and sold without registration under the Securities Act of 1933, as amended, or under similar provisions of state law, [b] represents and warrants that such Member is acquiring the Units for such Member's own account, for investment, and without a view to the distribution of the Units, [c] represents and warrants that it is an "accredited investor" as defined in Rule 501(a) of the Regulation D under the Securities Act of 1933 and [d] agrees not to Transfer, or to attempt to Transfer, all or any part of its Units without registration under the Securities Act of 1933, as amended, and any applicable state securities laws, unless the Transfer is exempt from such registration requirements.

16.4 Waiver of Alternative Withdrawal Rights. Each Member hereby waives and renounces any alternative rights that might otherwise be provided by law upon the withdrawal of such Person and accepts the provisions under this Agreement as such Person's sole entitlement upon the happening of such event.

16.5 Waiver of Partition Right. Each Member hereby waives and renounces any right that it might otherwise have prior to Dissolution and Liquidation to institute or maintain any action for partition with respect to any property held by the Company.

16.6 Waivers Generally. No course of dealing will be deemed to amend or discharge any provision of this Agreement. No delay in the exercise of any right will operate as a waiver of such right. No single or partial exercise of any right will preclude its further exercise. A waiver of any right on any one occasion will not be construed as a bar to, or waiver of, any such right on any other occasion.

16.7 Equitable Relief. If any Member proposes or refuses to Transfer all or any part of its Units in violation of the terms of this Agreement, the Company or any Member may apply to any court of competent jurisdiction for an injunctive order prohibiting or requiring such proposed Transfer, and the Company or any Member may institute and maintain any action or Proceeding against the Person proposing or refusing to make such Transfer to compel the specific performance of this Agreement. Any attempted Transfer in violation of this Agreement is null and void, and of no force and effect. The Person against whom such action or Proceeding is brought hereby irrevocably waives the claim or defense that an adequate remedy at law exists, and such Person will not urge in any such action or proceeding the claim or defense that such remedy at law exists. The prevailing party in any such proceeding shall be entitled to recover its

costs and expenses, including reasonable attorneys' fees, of preparing for and participating in the proceeding.

16.8 Arbitration. The Members will attempt in good faith to resolve any controversy or claim arising out of or relating to this Agreement through discussions between the senior management of the Members. If these discussions are unsuccessful, except as provided in Section 16.7, the Members agree that any action asserting a claim by one Member against another Member hereto arising out of or relating to this Agreement shall, on the written notice by one Member to the others, be submitted to binding arbitration to be held in Seattle, Washington. The arbitration shall be conducted by and in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The parties shall hold an initial meeting within thirty (30) days from receipt of notice from the requesting party of a request for arbitration. Unless otherwise agreed in writing, they will jointly appoint a mutually acceptable arbitrator not affiliated with either party. If they are unable to agree upon such appointment within thirty (30) days of the initial meeting, the parties shall obtain an odd numbered list of not less than five (5) potential arbitrators from the Superior Court for the Third Judicial District, State of Alaska. Each party shall alternatively strike a single name from the list until only one name remains, with such person to be the arbitrator. The party requesting the arbitration shall strike the first name. Each party shall pay one-half (½) of the costs related to the arbitration, unless the arbitrator's decision provides otherwise. Each party shall bear its own costs to prepare for and participate in the arbitration. Each party shall produce at the request of the other party, at least thirty (30) days in advance of the hearing, all documents to be submitted at the hearing and such other documents as are relevant to the issues or likely to lead to relevant information. The arbitrator shall promptly render a written decision, in accordance with Alaska law and supported by substantial evidence in the record. The prevailing party shall be entitled to recover reasonable attorneys' fees, costs, charges and expended or incurred therein, if the arbitrator's decision so provides. Failure to apply Alaska law, or entry of a decision that is not based on substantial evidence in the record, shall be additional grounds for modifying or vacating an arbitration decision. Judgment on any arbitration award shall be entered in any court of competent jurisdiction. In any subsequent arbitration, the decision in any prior arbitration of this Agreement shall not be deemed conclusive of the rights among the parties hereunder.

16.9 Remedies for Breach. The rights and remedies of the Members set forth in this Agreement are neither mutually exclusive nor exclusive of any right or remedy provided by law, in equity or otherwise, and all legal remedies (such as monetary damages) as well as all equitable remedies (such as specific performance) will be available for any breach or threatened breach of any provision of this Agreement.

16.10 Costs. If the Company or any Member retains counsel for the purpose of enforcing or preventing the breach or any threatened breach of any provisions of this Agreement or for any other remedy relating to it, then the prevailing party will be entitled to be reimbursed by the nonprevailing party for all costs and expenses so incurred (including reasonable attorney's fees, costs of bonds and fees and expenses for expert witnesses).

16.11 Counterparts. This Agreement may be signed in multiple counterparts, the signature pages of which may be detached and reattached to another identical counterpart. Each

counterpart will be considered an original instrument, but all of them in the aggregate will constitute one agreement.

16.12 Notice. All Notices under this Agreement will be in writing and will be either delivered or sent addressed as follows: [a] if to the Company, at the Company's principal office in Anchorage, Alaska, and [b] if to any Member, at such Person's address as then appearing in the records of the Company. In computing time periods, the day Notice is given will be included.

16.13 Deemed Notice. Any Notices given to the Company or any Member in accordance with this Agreement will be deemed to have been duly given: [a] on the date of receipt if personally delivered, [b] five days after being sent by U.S. mail, postage prepaid, [c] on the date of receipt, if sent by registered or certified U.S. mail, postage prepaid, [d] on the date of receipt, if sent by facsimile or telecopier transmission (with telephonic confirmation by the recipient) or [e] one Business Day after having been sent by a nationally recognized overnight courier service.

16.14 Partial Invalidity. Wherever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law. However, if for any reason any one or more of the provisions of this Agreement are held to be invalid, illegal or unenforceable in any respect, such action will not affect any other provision of this Agreement. In such event, this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained in it.

16.15 Entire Agreement. This Agreement (including its Schedules and Exhibits) contains the entire agreement and understanding of the Members concerning its subject matter.

16.16 Benefit. Except as otherwise set forth in Section 9.1, this Agreement and the rights and obligations of the Members hereunder will inure solely to the benefit of the Members and their Transferees and the Company, without conferring on any other Person any rights of enforcement or other rights.

16.17 Further Assurances. Each Member will sign and deliver, without additional consideration, such other documents of further assurance as may reasonably be necessary to give effect to the provisions of this Agreement.

16.18 Headings. Article and section titles have been inserted for convenience of reference only. They are not intended to affect the meaning or interpretation of this Agreement.

16.19 Terms. Terms used with initial capital letters will have the meanings specified, applicable to both singular and plural forms, for all purposes of this Agreement. All pronouns (and any variations) will be deemed to refer to the masculine, feminine or neuter, as the identity of the Person may require. The singular or plural includes the other, as the context requires or permits. The word "include" (and any variation) is used in an illustrative sense rather than a limiting sense. The word "day" means a calendar day, unless a Business Day is specified.

16.20 Governing Law. This Agreement will be governed by, and construed in accordance with, the laws of the State of Alaska. Any conflict or apparent conflict between this

Agreement and the Act will be resolved in favor of this Agreement, except as otherwise required by the Act.

16.21 No Tax Advice. All Members acknowledge that any tax advice express or implicit in the provision of this Agreement are not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding penalties that may be imposed on tax payer by the Internal Revenue Service. Each Member should seek advice based on its particular circumstances from an independent tax advisor.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have caused this Operating Agreement of Alaska Digitel, LLC, to be duly executed and delivered, effective from the date first above mentioned, notwithstanding the actual date of signing.

GENERAL COMMUNICATION, INC.

By: _____
Name: _____
Title: _____

AKD HOLDINGS, LLC

By: _____
Name: _____
Title: _____

PACIFICOM HOLDINGS, L.L.C.

By: _____
Name: _____
Title: _____

FIRE LAKE PARTNERS, L.L.C.

By: _____
Name: _____
Title: _____

RED RIVER WIRELESS, LLC

By: _____
Name: _____
Title: _____

GRAYSTONE HOLDINGS, LLC

By: _____
Name: _____
Title: _____

LIST OF SCHEDULES

Schedule

- 1.3 Names and Addresses of Members
- 4.1 Initial Capital Contributions

LIST OF EXHIBITS

Exhibit

- A Form of Assignment of Units
- B Form of Transferee's Agreement
- C Form of Management Agreement
- D Examples of Adjustments to Common Units and Profits Interest Units Outstanding
- E Initial Budget

SCHEDULE 1.3

**Names, Addresses and Unit Ownership
of Members**

Members

Unit Ownership

General Communication, Inc.
2550 Denali Street, Suite 1000
Anchorage, AK 99503
Fax: (907) 868-5676
Attn: Corporate Counsel

Common Units

With a copy of any Notice to:

General Communication, Inc.
2550 Denali Street, Suite 1000
Anchorage, AK 99503
Fax: (907) 868-5676
Attn: General Manager & Executive Vice President

AKD Holdings, LLC
5350 Poplar Avenue, Suite 875
Memphis, TN 38119
Fax: (901) 763-3369
Attn: Stephen M. Roberts

Common Units

With a copy of any Notice to:

Jack S. Magids, Esq.
The Bogatin Law Firm, PLC
1661 International Place Drive, Suite 300
Memphis, Tennessee 38120-1431
Fax: (901) 767-2803

Members

Red River Wireless, LLC
5350 Poplar Avenue, Suite 875
Memphis, TN 38119
Fax: (901) 763-3369
Attn: Stephen M. Roberts

With a copy of any Notice to:

Jack S. Magids, Esq.
The Bogatin Law Firm, PLC
1661 International Place Drive, Suite 300
Memphis, Tennessee 38120-1431
Fax: (901) 767-2803

Graystone Holdings, LLC
5350 Poplar Avenue, Suite 875
Memphis, TN 38119
Fax: (901) 763-3369
Attn: J. Michael Keenan

With a copy of any Notice to:

Jack S. Magids, Esq.
The Bogatin Law Firm, PLC
1661 International Place Drive, Suite 300
Memphis, Tennessee 38120-1431
Fax: (901) 767-2803

Pacificom Holdings, L.L.C.
5350 Poplar Avenue, Suite 875
Memphis, TN 38119
Fax: (901) 763-3369
Attn: Stephen M. Roberts

With a copy of any Notice to:

Jack S. Magids, Esq.
The Bogatin Law Firm, PLC
1661 International Place Drive, Suite 300
Memphis, Tennessee 38120-1431
Fax: (901) 767-2803

Unit Ownership

Common Units

Common Units

Common Units

Members

Fire Lake Partners, L.L.C.
3127 Commercial Drive
Anchorage, AK 99501

Fax:

Attn: Stephen M. Roberts

With a copy of any Notice to:

Jack S. Magids, Esq.
The Bogatin Law Firm, PLC
1661 International Place Drive, Suite 300
Memphis, Tennessee 38120-1431
Fax: (901) 767-2803

Unit Ownership

Profits Interest Units

SCHEDULE 4.1

Initial Capital Contributions

<u>Members</u>	<u>Agreed Fair Market Value of Deemed Initial Contribution</u>
General Communication, Inc.	
AKD Holdings, LLC	
Red River Wireless, LLC	
Graystone Holdings, LLC	
Pacificom Holdings, L.L.C.	
Fire Lake Partners, L.L.C.	

⁽¹⁾ To be calculated at the Closing under the Reorganization Agreement in accordance with Section 4.1.

EXHIBIT A

Form of

Assignment of Units

The undersigned Transferor hereby transfers and assigns _____ Units in Alaska Digitel, LLC, a Alaska limited liability company, to _____, as Transferee. The Capital Account of the Transferor that is attributable to the transferred Units will carry over to the Transferee. The Units transferred is subject to all of the terms and conditions of that certain Second Amended and Restated Operating Agreement of _____, dated as of _____, as such Agreement may be amended ("Operating Agreement"). The Transferor shall remain liable for all of its liabilities under the Operating Agreement.

Transferor:

By: _____

Name:

Title:

Date:

EXHIBIT B

**Form of
Transferee's Agreement**

As a **Transferee** of Units in Alaska Digitel, LLC, a Alaska limited liability company governed by a Second Amended and Restated Operating Agreement dated as of _____, the undersigned agrees to be bound as a party to such Agreement (which, as it may be amended, is hereby incorporated by reference). The **Transferee** acknowledges and agrees that, unless admitted as a Member of the limited liability company as provided in such Agreement, the **Transferee** will have only the limited rights of an assignee as specified by law.

Transferee:

By: _____

Name:

Title:

Date:

Address:

Taxpayer ID Number:

Telephone Number:

Fax Number:

EXHIBIT C

Form of Management Agreement

See attached.

EXHIBIT D

Examples of Adjustments to Common Units and Profits Interest Units Outstanding

See attached Schedule 2.3.3 to the Reorganization Agreement.

EXHIBIT E

Initial Budget

[To be inserted at the Closing under the Reorganization Agreement.]

EXHIBIT C
Opinion Items for Opinion of The
Bogatin Law Firm PLC

EXHIBIT C

Opinion Items for Opinion of The Bogatin Law Firm, PLC

[For purposes of this opinion letter, "Opinion Party" or "Opinion Parties" will mean, individually and collectively, AKD, Denali, Parent, Pacificom, Red River and Graystone.]

Based on the foregoing, and subject to the assumptions and qualifications set forth herein, we are of the opinion that:

1. Each Opinion Party is a limited liability company duly organized, validly existing and in good standing under the laws of the state of its organization or formation and has all requisite limited liability company power and authority to own its properties and to carry on its business as now conducted.
2. Each Opinion Party has all requisite limited liability company power and authority to execute, deliver and perform its obligations under the Transaction Agreements to which it is a party.
3. The execution and delivery by each Opinion Party of the Transaction Agreements to which it is a party, and the consummation by it of the transactions contemplated in the Transaction Agreements, have been duly authorized by all necessary limited liability company action on the part of such Opinion Party. Each Opinion Party has duly executed each Transaction Agreement to which it is a party.
4. Each Transaction Agreement is the legal, valid and binding obligations of each Opinion Party that is a party thereto, enforceable against such Opinion Party in accordance with its terms.
5. The execution and delivery by each Opinion Party of each Transaction Agreement to which it is a party and the consummation of the transactions contemplated thereby will not (i) violate or conflict with any provision of the articles of organization or operating agreement of the Opinion Party, (ii) result in a violation of any law or regulation presently in effect and applicable to the Opinion Party and to the transactions contemplated by the Agreement, or (iii) to our knowledge, except as disclosed in the AKD Disclosure Schedule or the Denali Disclosure Schedule, violate, with or without the giving of notice or the lapse of time or both, or result in the breach or termination of any provision of, or constitute a default under, or give any Person the right to accelerate any obligation under, or result in the creation of any Encumbrance upon any of the properties, assets or business of AKD, Denali or Parent pursuant to, any indenture, mortgage, deed of trust, lien, lease, license, agreement, instrument or other arrangement known to us to which AKD, Denali or Parent is a party or by which AKD, Denali, Parent or any of their respective assets and properties is bound or subject.

6. As of the Closing Date, after giving effect to the reclassification of membership interests contemplated by Section 2.2 of the Reorganization Agreement but before giving effect to the other transactions contemplated by Article 2 of the Reorganization Agreement, all of the issued and outstanding membership interests of AKD will be owned of record by Parent and the AKD Members as described in Section 2.2 of the Reorganization Agreement. Based solely on our review of the Operating Agreement and minute book of AKD, all of the issued and outstanding membership interests of AKD, when issued in accordance with Section 2.2 of the Reorganization Agreement, will be validly issued and, to our knowledge, fully paid and non-assessable.

7. All of the issued and outstanding membership interests of Denali are owned of record by the Denali Members in the amounts set forth in Section 4.1.3 of the Reorganization Agreement. Based solely on our review of the Operating Agreement and minute book of Denali, all of the issued and outstanding membership interests of Denali have been validly issued and, to our knowledge, fully paid and non-assessable.

8. To our knowledge, except as to matters disclosed in the AKD Disclosure Schedule or the Denali Disclosure Schedule, no option, warrant, subscription right, conversion right or other contract or commitment of any kind, to which Parent, AKD or Denali is a party or by which either of them is bound, exists which may obligate Parent, AKD or Denali to issue, sell or otherwise transfer any of its membership interests.

9. To our knowledge, except as to matters disclosed in the AKD Disclosure Schedule or the Denali Disclosure Schedule, there is no litigation or legal proceedings affecting Parent, AKD or Denali pending or threatened before any court, governmental authority or arbitrator that would cause the representations in Section 3.5.2 or 4.5.2 of the Reorganization Agreement not to be true or correct or prohibit or delay the performance of the Transaction Agreements or the consummation of the transactions contemplated thereby.

EXHIBIT D
Opinion Items for Opinion of Lukas,
Nace, Gutierrez & Sachs, Chartered

Exhibit D

Opinions of Lukas, Nace, Gutierrez & Sachs, Chartered

1. AKD holds the AKD Licenses identified as being held by it on Schedule 3.8.1 of the Agreement. Denali holds the Denali Licenses identified as being held by it on Schedule 4.8.1 of the Agreement. Each of the AKD Licenses and the Denali Licenses is in full force and effect. The AKD Licenses and the Denali Licenses are not subject to any conditions outside of the ordinary course. To our knowledge, the AKD Licenses and the Denali Licenses constitute the only FCC licenses, permits and authorizations necessary for AKD and Denali to operate their wireless telecommunications businesses as they currently are being operated.
2. The execution and delivery by AKD and Denali of the Transaction Agreements do not violate any of the terms or provisions of, or constitute a default under, the Communications Laws. No consent, approval, authorization, order, or waiver from, or filing with, the FCC is required under the Communications Laws for the execution and delivery by AKD and Denali of each of the Transaction Agreements to which each is a party.
3. To our knowledge, (i) there is no outstanding decree, order or other ruling that has been issued by the FCC specifically directed against AKD or Denali, or any of the AKD Licenses or Denali Licenses, and (ii) there is no complaint, notice of violation, notice of apparent liability, or other administrative proceeding pending by or before, or overtly threatened by, the FCC against AKD or Denali, or any of the AKD Licenses or Denali Licenses, that proposes the cancellation, termination, revocation or material modification of any of the AKD Licenses or the Denali Licenses, in each case other than proceedings of general applicability to the holders of FCC authorizations similar to the AKD Licenses or Denali Licenses. There are no license renewal applications or proceedings pending with respect to any of the AKD Licenses or Denali Licenses.
4. To our knowledge, there is no order, judgment, decree, notice of apparent liability, order of forfeiture, investigation, complaint, or other proceeding pending before the FCC against the AKD Licenses or the Denali Licenses that would reasonably be expected to result in the termination, revocation, suspension or denial of renewal of the AKD Licenses or the Denali Licenses, except for rule making and other similar proceedings generally applicable to holders of FCC authorizations similar to the AKD Licenses or the Denali Licenses.
5. The FCC has granted its consent (the "FCC Consent") to the transactions contemplated in the Transaction Documents without the imposition of conditions outside of the ordinary course. The FCC Consent has been duly issued and is in full force and effect. The FCC Consent has become a Final Order. The FCC Consent includes and constitutes all necessary consents, approvals, and authorizations required from the FCC under the Communications Laws for the transactions contemplated in the Transaction Documents.

6. To our knowledge, all reports, notices, notifications and other documents required to be filed by AKD or Denali under the Communications Laws have been duly and timely filed except where the failure to do so would not have a material adverse effect on any of the AKD Licenses or the Denali Licenses.

EXHIBIT E

Non-Competition Agreement

AKD000000198

NONCOMPETITION AGREEMENT

